

**State of New Hampshire
Division of Personnel**

**Frequently Asked Questions Regarding
Medical Coverage for Retired State Employees**

- **When will I know if I am eligible for State paid medical coverage?**

You will complete a Pre-Application form for retiree medical coverage when you file for retirement with New Hampshire Retirement System (NHRS). NHRS documents your years of creditable service and sends the application to the Division of Personnel, where a determination is made that you are either immediately eligible, eligible at age 60, or ineligible. If you are eligible for State paid medical coverage, an enrollment packet will be mailed to your home address by the Division of Personnel. If you do not meet the eligibility criteria, the Pre-Application form will be mailed to your home with an explanation as to why you are not eligible.

- **How do I transition from the State medical plan to the Retiree medical plan?**

If you are **immediately** eligible, you will be enrolled in the retiree plan once all of the necessary paperwork is completed. To prevent a gap in coverage, you will stay on your agency's medical plan for Active employees for the first month of your retirement. If you are not immediately eligible, your coverage will end at the end of the month in which you left State employment and you will have the option to continue your coverage under COBRA. The required paperwork to enroll in COBRA will be sent directly to your home.

- **What is the Coverage?**

The State currently pays the premium for the retiree and spouse. The plan is subject to change each time the State renews the contract, the current provisions are:

Under age 65: Anthem Blue Cross and Blue Shield retiree medical plan provides coverage for retirees under age 65 who plan to reside in or out of the New England area. Care is coordinated through participating network providers. You also have the freedom to choose the providers you prefer, but costs are lowest when you see participating providers. Anytime you decide to move in or out of the New England area, you must change your mailing address with the Division of Personnel with the State. Please call (603) 271-1432 to change your mailing address to ensure continuation of coverage.

At age 65 (earlier, if receiving Social Security Disability): Retirees must apply for Medicare when they turn 65. By law, the retirees' plan converts to a policy that supplements their Medicare coverage. It is currently provided by the State through the Anthem Blue Cross and Blue Shield Supplemental Plan. Retirees should contact Medicare several months before turning 65, to enroll in both Part A and Part B. Retirees are cautioned that Medicare Part B is a requirement for continued coverage under the Anthem BCBS Medicare supplement policy.

Prescription Drug Coverage:

Caremark/Local Government Center currently administers our pharmacy program. A mail order program will provide you with a 90-day supply of "maintenance" drugs per co-pay. The plan also offers services at the retail pharmacy level at higher co-pay amounts.

Dental: The State does not pay retiree dental coverage and the coverage will end at the end of the month in which you leave State service. Under COBRA, retirees can pay to maintain their current coverage with Delta Dental. After 18 months, you can contact Delta Dental to join a retiree plan at your own expense.

- **Will I always have the same fully paid coverage?**

Medical coverage is *not* a guaranteed benefit for State employees. *Currently*, the State pays the full premium for eligible retirees and their spouses. If the Legislature does not appropriate the necessary funds, retirees may be responsible for all or a portion of the premium.

Most State employees think of their pension and their medical coverage as a package, but they are not linked. While your eligibility for coverage may be dependent upon your years of NHRS creditable service and/or the type of NHRS benefit you receive, they are separate and distinct benefits funded by different sources and governed by two different state statutes. State employee pensions are in the NHRS Trust Fund and administered by NHRS, which is governed by RSA 100-A. Retiree medical coverage is governed by RSA 21-I:30, "within the limit of the funds appropriated at each legislative session," and is administered by the Division of Personnel.

- **How is my eligibility determined?**

Employees may be eligible to receive a pension before they are eligible for State paid medical coverage. They can start collecting their pensions before age 60, under Early Service Retirement or Vested Deferred Retirement, but they will not be eligible for State paid medical coverage unless they meet the eligibility criteria below

Group I:

- Employees whose service began **prior** to 7/1/03, with at least **10 years** of State creditable service, would be eligible at age 60.
- Employees whose service began **after** 7/1/03, with at least **20 years** of State creditable service, would be eligible at age 60.
- Employees are eligible at any age, with at least **30 years** of State creditable service.

Group II:

- **Service Retirement:** Employees who are eligible for Service Retirement will be eligible for State paid medical coverage. Criteria: Age 45 with at least 20 years of service, or at age 60 with no minimum service required.
- **Vested Deferred Retirement:** Employees whose service began prior to 7/1/03, with at least 10 years of State creditable service, would be eligible for State paid medical coverage when 20 years would have been completed and they are at least age 45.

- **What is the “Rule of 70”?**

What is “The Rule of “70”: It is a provision that allows Group I employees to draw a reduced pension before age 50. No medical coverage is provided until they reach age 60, unless they have 30 years of service. Employees with at least 20 years of service can draw permanently reduced pensions before the age of 50, if their age plus their years of service equal 70. Group I employees retiring at age 50 or older **do not** need to meet the Rule of 70.

- **How am I covered if I have “Split Benefits”?**

For those employees with creditable service in both Group I and Group II, medical coverage eligibility is based on the criteria of the Group *from which* they are retiring.

- **Coverage in the case of Death or Disability Before Retirement:**

Disability: If the employee is eligible for Ordinary (non-job related) or Accidental (job-related) Disability Retirement, medical coverage comes with the pension, at any age. Employees who become disabled should contact a NHRS Benefit Specialist.

- **Ordinary Death (Non-Job Related):** If the employee met the eligibility criteria for State paid medical coverage, the surviving spouse is eligible.
- **Accidental Death (Job Related):** The surviving spouse and minor children are eligible for State paid medical coverage.
- **Post-Retirement Death Benefits:** Currently, RSA 21-I:30 continues to provide State paid medical coverage to the surviving spouse of an eligible retired State employee.

If you have questions regarding retiree medical coverage, please contact Judy Shevlin at the Division of Personnel; 271-1432 or via e-mail at judy.shevlin@nh.gov.

Please Note: State retiree medical insurance is governed by RSA 21-I:30, which is administered by the Division of Personnel. In the event of any conflict between this publication and the laws, rules, and regulations, the laws, rules, and regulations will prevail. This document is intended to provide general information only, and it is based on the statutory provisions, rules, and regulations in effect as of July 1, 2005.

Questions regarding New Hampshire Retirement System benefit issues only should be directed to a NHRS member benefits representative by calling (603) 410-3500 or toll free (877) 600-0158.